

MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

June 11, 2024

The Honorable Natali Fani-Gonzalez
The Honorable Andrew Friedson
Montgomery County Council
Council Office Building
100 Maryland Avenue
Rockville, MD 20850

Subject: Bill 6-42. Property Tax-Disabled Veterans, Favorable with Amendment

Dear Councilmember Fani-Gonzalez:

On behalf of the members of the Maryland Military Coalition (MMC), I recommend passage of Bill 6-42, Property Tax-Disabled Veterans, with an amendment. I am the President of the MMC, retired Army Reserve officer, and a 33-year resident of Gaithersburg.

Bill 6-42 is an important recognition of the sacrifices made by veterans who become disabled while serving our country. The bill would lessen the financial burden on disabled veterans and increase the likelihood that they can remain in the homes they have occupied for many years. We recognize the fiscal challenges confronting our State and County and appreciate Councilmember Fani-Gonzalez and Council President Friedson for their leadership on this issue of importance to Montgomery County veterans.

In 2020, the General Assembly passed enabling legislation authorizing counties and municipalities to expand property tax credits for disabled veterans with service-connected disabilities. Section 9-625 of the Tax-Property Article of the Maryland Code. Specifically, the legislation authorized a 25% property tax credit for veterans with rated disabilities between 50-74%; and a 50% credit for disabilities between 75-99%. We understand that Hartford, Anne Arundel and Prince George's Counties have enacted some version of property tax credit credits for disabled veterans.

Montgomery County is an expensive jurisdiction in which to live, and inflation has significantly eroded the spending power of disabled veterans. The \$100,000 cap in adjusted gross income would include a military pension but not VA disability benefits which are nontaxable. However, the adjusted gross income would include income earned by the veteran and their spouse. We recommend that the \$100,000 income cap be indexed to inflation, perhaps the Bureau of Labor Statistics Consumer Price Index, so that the value of the property tax credit does not erode over time.

The Maryland Military Coalition is a non-partisan organization of 21 Veteran organizations representing over 150,000 Maryland uniformed services men and women and their families, almost half of the 355,000 veterans in the State.

Respectfully,

Jayson Spiegel LTC USAR (Ret)

President

Gaithersburg, Maryland